

January 17, 2013

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602

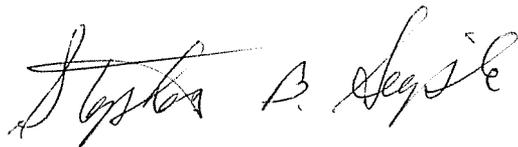
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JAN 22 2013
PUBLIC SERVICE
COMMISSION

Re: Case No. 2012 - 00418

Dear Mr. Derouen:

Pursuant to the Commission's Order of November 5, 2012, Columbia Gas of Kentucky, Inc., submits the attached Statement of Interest Rate.

Sincerely,



Stephen B. Seiple
Assistant General Counsel

Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:)	
)	
The Application of Columbia Gas of)	Case No. 2012-00418
Kentucky, Inc. for an Order Authorizing the)	
Issuance and Sale of Promissory Notes and)	
Authorized but Unissued Common Stock)	

STATEMENT OF INTEREST RATE
OF COLUMBIA GAS OF KENTUCKY, INC.

On September 10, 2012, Columbia Gas of Kentucky, Inc. (“Columbia”) filed an application seeking authority to issue and sell Long Term Promissory Notes (“Notes”) to NiSource Finance Corp. and/or to secure additional equity financing from Columbia Energy Group through the issuance and sale of currently authorized and unissued common stock. In its Order dated November 5, 2012, the Commission authorized the issuance of said Notes and the sale of common stock. The Commission directed Columbia to file a statement advising the Commission of the date or dates of issuance of the securities, and the terms of the Notes, including the interest rate.

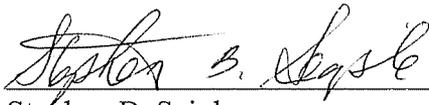
In compliance with the Commission’s Order, Columbia submits the following information. On January 7, 2013, Columbia issued a Promissory Note in the amount of \$20,000,000 to NiSource Finance Corp. The principal amount of the Note is payable January 7, 2043. The Note bears an interest rate of 5.77%, payable semi-annually on June 1 and December 1.

WHEREFORE, Columbia requests that the Commission accept this Statement of Interest Rate.

Dated at Columbus, Ohio this 21st day of January, 2013.

Respectfully submitted,

COLUMBIA GAS OF KENTUCKY, INC.

By: 
Stephen B. Seiple
Assistant General Counsel

Stephen B. Seiple, Assistant General Counsel
Brooke E. Leslie, Counsel
200 Civic Center Drive
P.O. Box 117
Columbus, Ohio 43216-0117
Telephone: (614) 460-4648
Fax: (614) 460-6986
Email: sseiple@nisource.com

Richard S. Taylor
225 Capital Avenue
Frankfort, Kentucky 40601
Telephone: (502) 223-8967
Fax: (502): 226-6383

Attorneys for
COLUMBIA GAS OF KENTUCKY, INC.